

MINUTES OF MEETING OF THE CORPORATIONS COMMITTEE

Friday, November 2, 2007

A regular meeting of the Corporations Committee (the "Committee") of the Business Law Section of the State Bar of California was held in San Francisco, California at the San Francisco Airport on Friday, November 2, 2007. Attendance was as follows:

MEMBERS PRESENT:

Richard Burt
W. Derrick Britt
Edward A. Deibert
Christopher Delfino
Samuel C. Dibble
Sharon R. Flanagan
Michael I. Froch*
Steven Harmon
Jeffrey Hartlin
David Hernand*
Barbara Mathews*
Mike Occhiolini
Charles Ortmeyer
David Serepca
Jennifer Sostrin*
James J. Thompson*
Russ Wood

MEMBERS ABSENT:

Nelson Crandall
Bruce Deming
Bryan Gadol
Nina Hong
Anne Marie Peters
Rose Sorensen
Peter Wardle

LIAISONS AND GUESTS PRESENT:

Colleen Monaghan, Department of Corporations*
Todd Vlaanderen, Secretary of State
Stewart McDowell
Steve Hazen

*Via Telephone

The minutes summarize discussion primarily in the order items were listed on the Agenda for the meeting previously circulated to members of the Committee, which is not necessarily the

order in which the items were actually taken up at the meeting. The Committee did not take up those topics listed on the Agenda that are not described in these minutes.

I. ADMINISTRATIVE MATTERS

1. Opening Remarks and announcements: The meeting was called to order by Co-Chairs Chris Delfino and Barbara Matthews at 9:30. All members, liaisons and guests introduced themselves.

2. Introduction of New Members: Current and new members in attendance introduced themselves.

3. Approval of Minutes: The September 28, 2007 minutes were approved.

II. AGENCY AND LIAISON'S REPORTS

1. Securities and Exchange Commission: No report

2. Department of Corporations: Ms. Monaghan reported.

3. Secretary of State: Mr. Vlaanderen reported

4. Office of Governmental Affairs: No report

5. BLS Committee Liaison Reports – Selection of New Liaisons: The following individuals were named as BLS Committee liaisons for the next year:

A. ADR: Mr. Harmon

B. Cyberspace Law: Mr. Thompson

C. Financial Institutions: Mr. Occhiolini

D. Non-Profit Corporations: Mr. Hartlin

E. Partnerships and LLCs: Ms. Flanagan

F. UCC: Mr. Ortmeyer

G. Agribusiness: Mr. Wood

H. Insolvency: Mr. Serepca

I. Executive Committee: Ms. McDowell and Mr. Hazen are the representatives of the Executive Committee to the Corporations Committee. Ms. McDowell also provided a report on the leadership retreat which was held on October 28-29 for BLS officers.

III. DISCUSSION OF 2007-08 OBJECTIVES AND GOALS: Members of the Committee discussed various objectives and goals for the Committee for the 2007-08 year.

IV. SUBCOMMITTEE REPORTS

1. Opinion Report: It was announced that the 2007 update to the Opinion Report has been completed and is in the process of being published.

2. Legislation:

A. ALP re Code 1501 to facilitate e-proxies: Mr. Britt reported that the ALP which was approved by the Committee is going before the Executive Committee of the State Bar on November 8th/9th. Ref. BLS 2008-08.

B. Potential ALP re: 301.5 and 25219: Mr. Hernand has reviewed the provisions of the California Corporations Code that need to be cleaned up in light of DOC's certification of NASDAQ as a national securities exchange. The drafting committee is working on a consensus for the draft ALP.

C. Legislation Update: Mr. Britt reported on the Corporations Committee Legislative Update schedule (updated as of November 1, 2007).

3. Communications/ Website:

A. Collaboration Site: Mr. Deibert reported that he will be scheduling two training sessions for the new collaboration (Hummingbird) site.

B. Website Committee: Mr. Wood, Mr. Harmon, Mr. Ortmeier, Mr. Occhiolini and Mr. Deibert agreed to serve on the website committee to take on the task of updating the Corporation Committee's pages of the Business Law Section's website.

C. E-Bulletin Topics: Mr. Ortmeier, Mr. Hernand and Mr. Deibert agreed to serve on the e-bulletin committee to take on the task of developing e-bulletin topics for the next year. The current upcoming topics are:

(i) Misleading Minute Service: (discussed previously)

(ii) E-Proxy ALP: (discussed previously)

4. Education/ Publications:

A. Programs: Proposed topics to be presented at the State Bar's annual meeting are due by January 24, 2008. Other potential programs and events were discussed. A committee was formed to develop educational programs and publications.

5. Corporate Law Report: No report.

6. Litigation: Mr. Ortmeyer agreed to present to the Committee recent cases during the next year.

V. ONGOING PROJECTS:

1. Section 2115 Project: Oral argument on the California case related to 2115 are set for December 4, 2007.

2. Business Entity Name Issues: No report

3. Comment Letter to Department of Corporations Regarding Proposed Regulation of Hedge Fund Advisors: Mr. Wood reported that two separate proposals on Investment Advisor Act issues and the regulation of hedge fund advisors are pending. An update on the comment letters was provided and discussion ensued. Mr. Wood, Mr. Deibert and Mr. Ortmeyer were delegated full authority of the Committee to finalize the comment letters, to submit them to the Executive Committee for approval and, following approval, to submit the letters to the Department of Corporations.

4. Privilege Issues:

A. ABA Task Force on Attorney-Client Privilege: Selection of New Liaison

B. Office of Rural Legal Assistance: No report

VI. New Business: No new business was raised.

Respectfully Submitted,

E. Deibert
Temporary Secretary for the Meeting